

Transforming Performance: The Role of Leadership Styles and Job Satisfaction in Pakistani Universities

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Abstract

The primary objective of this study is to examine the impact of leadership styles on employee performance, with job satisfaction serving as a mediating variable, in public and private universities across Pakistan. Primary data collected through questionnaire surveys from 300 participants were analysed by correlation, regression, and mediation techniques. The findings reveal that transformational, transactional, and laissez-faire leadership styles exert a significant positive influence on employee performance, whereas the autocratic leadership style negatively affects performance. These results have important implications for university planners, suggesting that autocratic leadership should be avoided, as it undermines employee morale and adversely affects performance. This study examines the combined effect of four leadership styles on employees' performance in higher education institutions, with job satisfaction as the mediating variable. It makes this research unique and distinguished from previous studies on leadership styles.

Keywords: Transformational Leadership; Transactional Leadership; Autocratic Leadership; Job Satisfaction; Employees' Performance.

Introduction

In the modern era of globalization and institutional reform, universities in developing countries like Pakistan face major challenges in managing human resources effectively. Leadership has become a vital factor in handling these challenges and ensuring institutional performance (Asselmann et al., 2023). As higher education institutions face global academic standards, financial constraints, and rapid technological progress, leadership plays a central role in meeting organizational goals without undermining employee morale and productivity (Kotter, 1995). Leadership today is understood as a flexible, evolving process shaped by specific circumstances. Theories like situational leadership and contingency leadership emphasize adapting leadership style to employees' needs and environmental demands. Emotional intelligence-based leadership and Hersey and Blanchard's situational leadership model (Hersey et al., 1979) confirm that no single leadership style suits all contexts. Instead, effectiveness relies on flexibility, empathy, and contextual awareness. However, many university leaders in Pakistan still follow rigid leadership practices, especially in settings affected by bureaucratic norms or market-oriented motives. Differences between public and private universities illustrate this contrast. Public institutions operate under government regulation, while private universities are shaped by corporate logic, leading to distinct leadership behaviors (Raza & Sikandar, 2018). Leadership style also directly affects job satisfaction, which in turn influences employee performance (Akram et al., 2016). Although studies suggest job satisfaction mediates

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this relationship, limited evidence is available in Pakistan's higher education sector, particularly in South Punjab, where both public and private universities operate under differing management systems

Research Questions

The primary research questions of this research are as follows:

- How do transformational, transactional, laissez-faire, and autocratic leadership styles affect employee performance in Pakistan's public and private universities?
- To what extent does job satisfaction mediate this relationship?

To explore these research questions, this study aims to examine how these leadership styles influence employees' performance, besides investigating the mediating role of job satisfaction in this relationship.

This research offers several valuable contributions to academic literature on leadership styles. First, this study enriches the limited body of research on leadership in Pakistani universities by providing a region-specific analysis of leadership effectiveness. Second, by comparing public and private universities, this study provides a nuanced understanding of how institutional type influences leadership style and its outcomes, offering actionable insights for policymakers and university administrators. Third, including job satisfaction as a mediating factor adds a deeper layer of analysis to the translation of leadership styles into employee performance, offering practical recommendations for human resource development. Fourth, the findings may inform leadership development programs, encouraging the adoption of contextually responsive and employee-centered leadership practices in universities. By addressing these gaps and contributing to both theory and practice, the study aims to support the strategic development of higher education institutions in Pakistan, particularly by enhancing employee satisfaction and performance through effective leadership.

The rest of the paper is organized as follows: Section 2 outlines the theoretical framework, empirical analysis, and hypothesis development; Section 3 illustrates the data, research design, sample of study, and analytical techniques; Section 4 explains the empirical analysis, while Section 5 extends the discussion, managerial and policy implications, limitations, and directions for future research.

Literature Review and Hypotheses Development

Theoretical Framework

Several leadership theories provide the foundation for this study:

Life Cycle Theory (Hersey, 1969), based on Chandler's (1956, 1962) organizational development model, suggests that leadership must evolve as firms grow. Autocratic leadership dominates early phases, while larger organizations require collaborative, bureaucratic leadership (Wendy Farrell et al., 2025). Situational Leadership Theory (Hersey & Blanchard, 1977, 1982) classifies followers into four maturity levels (M1–M4). Inconsistencies in how "willingness" and "ability" are defined, casting doubt on the model's progression. Transformational leadership theory emphasizes vision, inspiration, and individualized support. Its popularity and efficacy are supported by numerous studies (Wendy et al., 2025). Transactional Leadership Theory is based on exchanges between leaders and subordinates and is structured around rewards and consequences. Laissez-Faire Leadership Theory (Bass & Avolio, 1994) is characterized by non-intervention. Scholars have criticized this style for causing ambiguity and stress (Einarsen et al., 2007; Antonakis & Day, 2018), though some studies (e.g., Joo & Lim, 2013) recognize its potential under specific conditions. Autocratic Leadership Theory centers on centralized authority and limited input from subordinates. However, it is useful in emergencies or low-skill contexts (Hansbrough & Schyns, 2018), but it suppresses creativity and engagement (Kozminski et al., 2022). These contrasting theoretical

and empirical frameworks call for deeper and fresh analysis to determine their effectiveness in influencing employee performance, particularly in the Pakistani higher education context.

Conceptualization of Leadership

Leadership is a social process involving influence, motivation, and the pursuit of shared goals (Hannah et al., 2016). Howell and Avolio (1993) emphasizes leadership's administrative role, while Hussain et al. (2016) and Islam et al. (2018) stress the strategic integration of leadership and human resource management. Contemporary perspectives focus on adaptability, transparency, and relationship-building. Saeed et al. (2014) and Cochran (1977) advocates for shared vision and collective learning as key to leadership success.

Leadership Behavior and Its Influence

Leadership behaviors—such as setting direction, inspiring vision, and delegating effectively—affect organizational culture and employee morale. Rahman et al. (2022), Snow (2023), Amanchukwu et al. (2015) and Suhr (2006) underscore the importance of these behaviors. Sinha et al. (2001) link them to autonomy and self-esteem, which are essential for intrinsic motivation. This literature establishes leadership as a central determinant of organizational performance (Rahman et al., 2022; Bass, 1985).

Leadership Styles in the Higher Educational Sector

In academic environments, the four dominant leadership styles such as Transformational leadership, associated with self-actualization and empowerment. Transactional leadership, focused on performance and short-term objectives (Nisvan et al., 2022). Laissez-faire leadership, often viewed as ineffective due to lack of direction and autocratic leadership, marked by control and reduced participation, which may improve efficiency in certain cases but stifles innovation. Parveen and Awan (2019) found that transformational leaders build stronger professional networks that enhance collaboration, while Khan et al. (2020b) identified supportive, directive, and avoidant tendencies across these styles.

Employee Performance

Employee performance is defined as behaviors and outcomes that align with organizational goals (Kozminski et al., 2022). Both objective (e.g., productivity) and subjective (e.g., creativity) measures are used (Hussain et al., 2017). Effective leadership plays a crucial role in setting expectations and enabling performance. Awan and Asghar (2014) also examined the factors affecting employees' performance and concluded that motivational techniques and financial rewards can play a significant role in improving employee performance. Parveen & Awan (2019) found that employees' performance can be enhanced through organizational justice and trust-building measures. Awan and Saeed (2015) investigated the link between intellectual capital and the performance of universities and concluded that the employees (Faculty) of universities are the knowledge workers and their role is significant in improving their world ranking. Employees' performance depends on the nature of the policies, whether they are supportive or suppressive. Awan & Khalid (2015) found that knowledge management is a key issue in Pakistani universities because they do not focus on the motivation of their knowledge workers. Hallinger et al., (2019) found that cash awards can improve employee performance by meeting their financial needs.

Job Satisfaction (Mediator)

Job satisfaction, defined by Locke (1976) as a pleasurable emotional state, is linked to engagement and organizational commitment (Braun et al., 2018). Transformational leadership tends to foster satisfaction through vision and support (Braun et al., 2013; Antonakis & Day,

2018). Job satisfaction, in turn, enhances performance (Breevaart & Zacher, 2019). This study uses job satisfaction as a mediating variable between leadership style and employee performance. Saeed & Awan (2014) also disclosed that employees' job satisfaction can be improved through professional training. Awan and Zamir (2016) provided hard evidence that empowerment, a reward system, and self-esteem foster employees' creativity and innovation. Therefore, the organization should implement these three measures to improve employee performance.

Hypotheses Development

Based on the above theoretical and empirical findings, we constructed the following hypotheses to identify the direct and indirect effects of independent and mediating variables on the dependent variable.

Direct Effects

The following four hypotheses are used to measure the direct effect of the independent variables on the dependent variable.

H1: Transformational leadership positively impacts employee performance in the public and private universities in Pakistan.

H2: Transactional leadership positively influences employee performance in public and private universities in Pakistan.

H3: Laissez-faire leadership negatively impacts employee performance in public and private universities in Pakistan.

H4: Autocratic leadership negatively affects employee performance in public and private universities in Pakistan.

Mediating Effects

Using hypotheses 5-8, we will test the mediating effect.

H5: Job satisfaction positively mediates the association between transformational leadership and employees' performance.

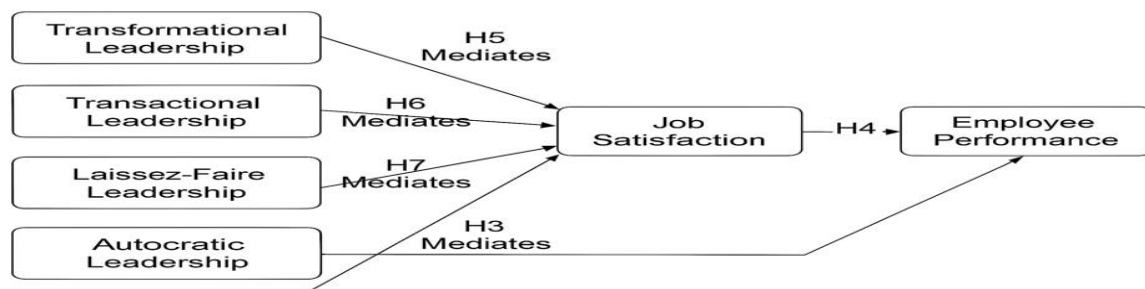
H6: Job satisfaction positively mediates the association between transactional leadership and employees' performance.

H7: Job satisfaction positively mediates the association between Laissez-Faire leadership and employees' performance.

H8: Job satisfaction positively mediates the link between autocratic leadership and employees' performance.

Conceptual Model

A conceptual model based on explanatory, mediating, and moderating variables was constructed and is shown in Figure 1.

Figure 1: Conceptual framework**Fig. 1: Research Model**

Source: The Author

Methodology

This study utilized primary data collected through a structured questionnaire distributed to 300 employees from eight Pakistani universities—four public and four privates. The selected institutions included Bahauddin Zakariya University Multan, University of Southern Punjab, NFC Institute of Engineering and Technology Multan, National College of Business and Economics, GC University Faisalabad, Islamia University of Bahawalpur, University of the Central Punjab Lahore, and Superior University Lahore. Simple random sampling ensured unbiased representation. The questionnaire contained two sections: demographic data and 36 items measuring core variables, rated on a 5-point Likert scale. Rehman (2022) emphasized using G* Power for sample size calculation, which is widely accepted in Business and Social Sciences (Hair et al., 2018). With 8 predictors in the model (see Fig. 1), the suggested minimum sample is 109. Cochran (1977) and Suhr (2006) recommend a minimum of 250 for instruments with 31–50 items. With 38 items, our sample size of 300 exceeds both benchmarks.

Employee performance served as the dependent variable while transformational, transactional, laissez-faire, and autocratic leadership styles were selected as the independent variables. Job satisfaction was treated as a mediating variable. To ensure validity, the questionnaire was reviewed by ORIC Directors of Bahauddin Zakariya University and Islamia University of Bahawalpur. Reliability was tested using Cronbach's alpha (Cronbach, 1951; Hair et al., 2010). Measurement scales were adopted from established sources: transformational leadership from Burns (1978), Bass (1985), Katz and Kahn (1978), and Barling et al. (1996); transactional from Bass (1985, 1997) and Bass and Avolio (1993); laissez-faire from Deluga (1992); autocratic from Leppit and White (1939); job satisfaction from McCann et al. (2014), Chen (2004), Rae (2008), Jason et al. (2015), Kinicki (2013), Yahaya et al. (2012), and Insan et al. (2013); and employee performance from Allen et al. (1999) and Yurchisin and Park (2010). Correlation, ANOVA, regression, and Sobel tests were applied to examine the hypotheses and control for bias and endogeneity.

Results

Demographic Analysis

Total 300 faculty members of public and private universities participated in this exploratory study. Out of them, 204 (68%) participants were male and 96 (32%) were females. Male participants dominated the study, showing clear gender discrimination both in public and private universities. Secondly, experience of participants can be divided into four categories from 0-5 years, 6-10, 11-15 and above 15 years, we convert these values into 1 to 4. According to data, 31% respondents lie in category 1, 33% in category 2, 31% in category 3 and only 5% lies in category 4. Third characteristics of participants is related to their education. It can also be bifurcated into four categories that are 1 to 4 means Master to Ph.D. According to data, 5%

participants lie in Master degree, 71% in M.Phil. category and remaining 24% lie in Ph.D. category. Out of total 52.7% (158) participants belonged to public sector Universities, while the rest of 47.3% (142) participants hail from Private Universities.

Measurement of Reliability

Table 1 demonstrates the reliability test outcomes. The reliability of the questionnaire items was assessed using Cronbach Alpha as suggested by (Hair et al. (2010), requiring values above 0.60 for each construct. Results obtained through SPSS software show high reliability: employee job satisfaction ($\alpha = 0.918$, mean = 32.42, SD = 7.71), transformational leadership ($\alpha = 0.886$, mean = 33.19, SD = 6.83), transactional leadership ($\alpha = 0.874$, mean = 26.67, SD = 4.99), laissez-faire leadership ($\alpha = 0.811$, mean = 10.41, SD = 2.91), and autocratic leadership ($\alpha = 0.891$). Employee job performance also showed strong reliability ($\alpha = 0.907$, mean = 17.77, SD = 4.89). Thus, the data collected through a questionnaire was found to be reliable and appropriate for further analysis.

Table 1: Reliability Test outcomes

Variables	Cronbach's Alpha	Items	Mean	Standard Deviation
Jobs Satisfaction	0.918	09	32.42	7.71
Transformational Leadership	0.886	09	33.19	6.83
Transactional Leadership	0.874	07	26.67	4.99
Laissez-faire leadership	0.811	03	10.41	2.91
Autocratic Leadership	0.891	04	9.51	3.90
Employee Performance	0.907	05	17.77	4.89

Source: The Author

Factor Analysis

Factor analysis was conducted to validate the constructs—leadership styles, employee job satisfaction, and employee performance—using KMO (>0.5) and Bartlett's test ($p < .05$) as suggested by Hinton et al. (2004) and Williams et al. (2010). The results show that all constructs meet the criteria: employee job satisfaction (KMO = 0.917), transformational leadership (KMO = 0.911), transactional leadership (KMO = 0.896), laissez-faire leadership (KMO = 0.693), autocratic leadership (KMO = 0.817), and employee job performance (KMO = 0.863). All values are significant according to Bartlett's test, confirming the validity of the data for further analysis. These results, which are also in accordance with KMO Test (Table 3)

Table 2: Factor Analysis outcomes

Variables	KMO Test	Items	Bartlett's Test of Sphericity (Sig)
Employee Jobs Satisfaction	0.917	09	0.000
Transformational Leadership	0.911	09	0.000
Transactional Leadership	0.896	07	0.000
Laissez-faire leadership	0.693	03	0.000
Autocratic Leadership	0.817	04	0.000
Employee Performance	0.863	05	0.000

Sources: The Author

Descriptive Analysis of variables

Table 4 shows the computed descriptive statistics of variables in which N indicates the number of observations that are 300. Minimum value of responses is 1 in each construct and maximum is 5 as per 5-points Likert scale. There are two types of scales which are used in this study, first is related to 1, strongly disagree to 5, strongly agree and second scale is from 1, never to 5.

Table 3: Descriptive Statistics

Variables	N	Min.	Max.	Mean	Std. Deviation	Skewness	Kurtosis
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
Job satisfaction	300	1.00	5.00	3.6019	.85679	-.752	.141
Transformational	300	1.00	5.00	3.6874	.75877	-.674	.141
Transactional	300	1.00	5.00	3.8105	.71309	-.982	.141
Laissez-Faire	300	1.00	5.00	3.4700	.96858	-.569	.141
Autocratic	300	1.00	5.00	2.3775	.97448	.743	.141
Employee performance	300	1.00	5.00	3.5540	.97823	-.694	.141
Valid N (list wise)	300						

Source: The Author.

Correlations Analysis

Pearson correlation matrix is commonly used to ascertain the correlation between pairs of variables (Mukaka, (2012)). Table 4, shows that the correlation between job satisfaction and transformation leadership is positive and significant with the degree of 74.6%. The relationship between job satisfaction and transaction leadership is also positive and significant with the degree of 54.9%. The correlation between job satisfaction and Laissez-faire leadership is positive and significant with the degree of 50.9%. The correlation between job satisfaction and autocratic leadership is negative and significant with the degree of -51.1%. The correlation between job satisfaction and employee performance is positive and significant with the degree of 42.2%. The correlation between Employee performance and transformation leadership is positive and significant with the degree of 45.3%. The correlation between Employee performance and transaction leadership is positive and significant with the degree of 45.9%. The correlation between Employee performance and Laissez-faire leadership is positive and significant with the degree of 58.2%. The correlation between Employee performance and Autocratic leadership is negative and significant with the degree of -73.4%. All variables have positive correlation with job satisfaction and employee performance except autocratic leadership.

Table 4: Correlation Matrix Outcomes

Variables	Jobsat	Transformational	Transactional	Laissez-faire	Autocratic	Emp. Performance
Job satisfaction	1.000	.746**	.549**	.509**	-.511**	.422**
Sig. (2-tailed)	—	0.000	0.000	0.000	0.000	0.000
Transformational	.746**	1.000	.665**	.538**	-.533**	.453**
Sig. (2-tailed)	0.000	—	0.000	0.000	0.000	0.000
Transactional	.549**	.665**	1.000	.620**	-.554**	.495**
Sig. (2-tailed)	0.000	0.000	—	0.000	0.000	0.000
Laissez-faire	.509**	.538**	.620**	1.000	-.738**	.582**
Sig. (2-tailed)	0.000	0.000	0.000	—	0.000	0.000
Autocratic	-.511**	-.533**	-.554**	-.738**	1.000	-.734**
Sig. (2-tailed)	0.000	0.000	0.000	0.000	—	0.000
Employee performance	.422**	.453**	.495**	.582**	-.734**	1.000
Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	—

(N = 300; Note: Correlation is significant at the 0.01 level (2-tailed))

Source: The Author

Regression and ANOVA Results

Table 5 demonstrates the outcomes of regression analysis and ANOVA Test. These outcomes show direct effect of independent variables on dependent variable.

Table 5: Regression & ANOVA Results (Hypotheses 1–4)

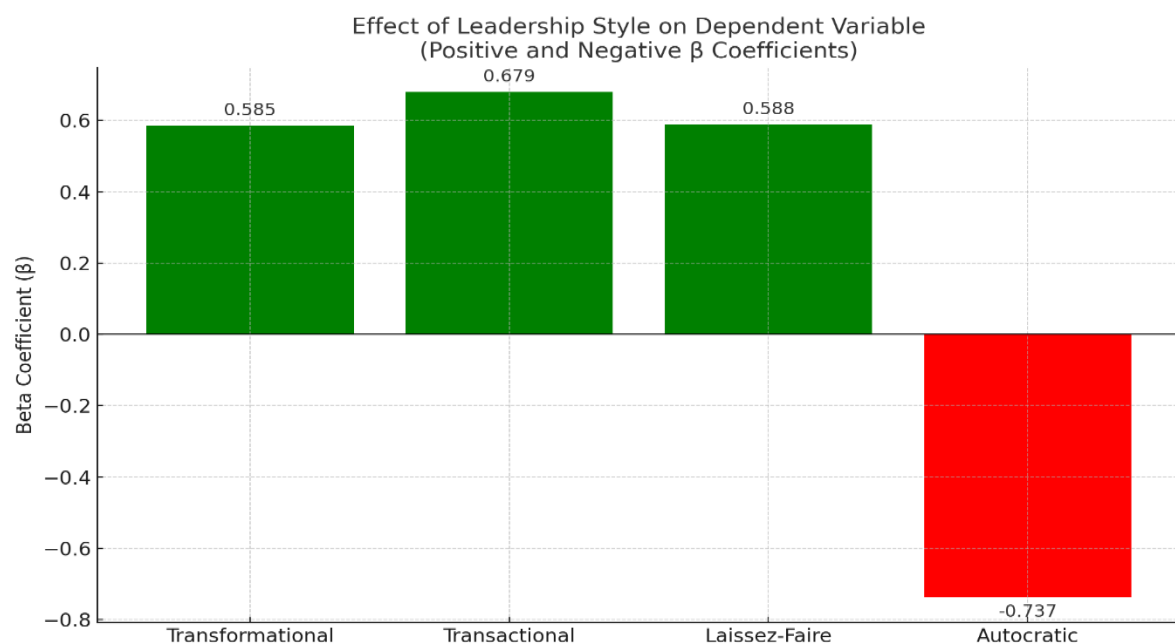
Leadership Style	B	p-value	R ²	ANOVA (F, p)	Interpretation
Transformational	0.585	<0.001	20.6%	F(1,298) = 77.10, *p* < .001	Significant positive effect.
Transactional	0.679	<0.001	24.5%	F(1,298) = 96.64, *p* < .001	Strongest positive predictor.
Laissez-Faire	0.588	<0.001	33.9%	F(1,298) = 152.66, *p* < .001	Marginal effect (*p* = 0.07).
Autocratic	-0.737	<0.001	53.9%	F(1,298) = 347.93, *p* < .001	Significant negative effect.

Source: The Author

* Dependent variable: Employees' performance.

Transactional leadership had the strongest predictor of employee's performance ($\beta = 0.679$), meaning a one-unit increase in this style predicts to a 67.9% increase in employees' performance. Transformational leadership also shows significant influence ($\beta = 0.585$) on employees' performance, though slightly weaker. Autocratic leadership had the largest negative impact on employees' performance ($\beta = -0.737$), implying a one unit increase in autocratic leadership is associated with a decline in employees' performance by 73.7%. Despite laissez-faire's statistical significance ($\beta = 0.588$), its practical relevance may be limited compared to transactional/transformational leadership styles. The high R² for autocratic leadership (53.9%) underscores its dominant role in explaining performance variance. The results of direct relationships of explanatory variables with dependent variable is displayed in Figure 2.

Figure 2: Direct Effect of Leadership style on employees' performance.



Source: The Author

Mediation Analysis

The analysis used Barron and Kenny's (1986) 4-steps mediation test and Sobel/Goodman tests. These tests require: (1) a significant link between the independent (IV) and dependent variables (DV); (2) IV's significance with the mediator; (3) mediator's significance with the DV. If these steps hold (confirmed via correlations), the final step regresses IV and mediator on the DV. Full mediation occurs if the IV becomes insignificant while the mediator remains significant; partial mediation arises if the IV's effect reduces but stays significant. The correlation matrix (in Table 5) showed all variables were correlated, validating Barron and Kenny's approach for testing mediation in the dataset. Table 6 presents the findings of mediation analysis.

Table 6: Mediation Analysis outcomes (Hypotheses 5-8)

Hypothesis	H5: Transformational → Performance	H6: Transactional → Performance	H7: Laissez- Faire → Performance	H8: Autocratic → Performance
Independent Variable	Transformational	Transactional	Laissez-Faire	Autocratic
Mediator	Job Satisfaction	Job Satisfaction	Job Satisfaction	Job Satisfaction
Initial β (IV → DV)	0.585**	0.679**	0.588**	-0.737**
β After Mediation	0.403**	0.517**	0.501**	-0.704**
Mediator β (M → DV)	0.215*	0.246**	0.194**	0.072 (n.s.)
R ² Change	$\Delta = 0.015$	$\Delta = 0.032$	$\Delta = 0.021$	$\Delta = 0.003$
Mediation Type	Partial	Partial	Partial	No Mediation

Notes: ** $p < 0.01$, * $p < 0.05$, N.S. = not significant.

Source: The Author.

The mediation analysis evaluated whether job satisfaction mediated the link between four leadership styles and employee performance. Key findings are summarized below:

Transformational Leadership (H5)

Job satisfaction partially mediated the relationship. The direct effect dropped from $\beta = 0.585$ to $\beta = 0.403$, while job satisfaction had a significant impact ($\beta = 0.215$, $p = 0.015$). The R^2 increased slightly ($\Delta = 0.015$), indicating a modest mediating role.

Transactional Leadership (H6)

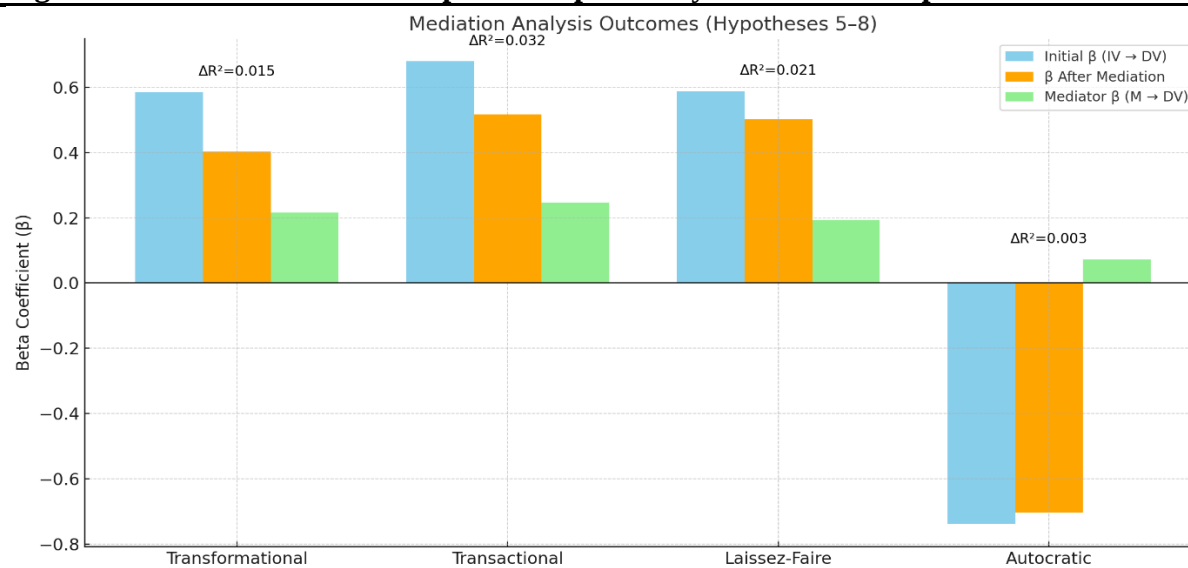
A stronger partial mediation was noted. The direct effect declined from $\beta = 0.679$ to $\beta = 0.517$, and job satisfaction showed a robust mediating influence ($\beta = 0.246$, $p < 0.001$). The R^2 increase ($\Delta = 0.032$) reflected a meaningful role of the mediator.

Laissez-Faire Leadership (H7)

Partial mediation occurred. The direct effect reduced from $\beta = 0.588$ to $\beta = 0.501$. Job satisfaction remained significant ($\beta = 0.194$, $p = 0.002$), with a moderate R^2 change ($\Delta = 0.021$).

Autocratic Leadership (H8)

No mediation was found. The direct effect was strongly negative ($\beta = -0.737$), and job satisfaction was not significant ($\beta = 0.072$, $p = 0.169$). The R^2 change was negligible ($\Delta = 0.003$). Figure 3 illustrates the direct, indirect, and mediator effects across all four styles.

Figure 3: Direct and indirect impact of explanatory variables on dependent variable

Source: The Author

Sobel Test

The Sobel test is a classical inferential procedure used in mediation analysis to determine whether an independent variable's effect on an outcome variable is significant (MacKinnon, Warsi, and Dwyer, 1995). The Sobel test provides a straightforward formula to quantify mediation effect and this is the reason that test is widely applied in social science research. According to results of this test shown in Table 7, four leadership styles have positive and significant relationship with employee's performance and mediation exist between each style and employee job performance. Three styles of leaderships have positive significant impact but one style, autocratic leadership style, has negative significant impact on employees' performance. This test confirms correlation and Regression analysis outcomes.

Table 7: Sobel Test Results

Relationship	A Coefficient	B Coefficient	A-SE	B-SE	Sobel Test
Mediation 1	0.843	0.482	0.044	0.60	7.408449***
Mediation 2	0.659	0.482	0.058	0.60	6.55942***
Mediation 3	0.450	0.482	0.044	0.60	6.31747***
Mediation 4	-0.450	0.482	0.04	0.60	-6.53764***

*** shows that test is significant at two tailed 1%

Source: The Author

Predictive Power of Model

The results shown in Table 8 demonstrate predictive power of the model because it predicts strong direct impact of four explanatory variables on dependent variable and the nature of their hypothetical relationships.

Table 8: Regression Model Summary

Hypothesis	Leadership Style	R	R ²	Adjusted R ²	Std. Error	Durbin-Watson	β (Coefficient)	t-value	p-value	Hypothesis Result
H1	Transformational	0.453	20.6%	20.3%	0.873	1.537	0.585	8.781	<0.001	Accepted
H2	Transactional	0.495	24.5%	24.2%	0.851	1.588	0.679	9.831	<0.001	Accepted
H3	Laissez-Faire	0.582	33.9%	33.7%	0.797	1.618	0.588	12.355	<0.001	Accepted
H4	Autocratic	0.734	53.9%	53.7%	0.666	1.847	-0.737	-18.653	<0.001	Rejected

Source: The Author

The model results indicate that transformational leadership has a moderate yet significant effect on employee performance, explaining 20.6% of the variance ($R^2 = 0.206$). A one-unit increase in this leadership style predicts a 58.5% improvement in performance ($\beta = 0.585$, $p < 0.001$), highlighting its role in encouraging engagement through vision and mentorship. The Durbin-Watson statistic (1.537) suggests minimal autocorrelation and reliable estimates. In this model, Transactional leadership emerged as the most influential positive predictor, accounting for 24.5% of the variance ($R^2 = 0.245$) and showing a higher correlation ($R = 0.495$). A one-unit increase led to a 67.9% increase in performance ($\beta = 0.679$, $p < 0.001$), confirming the effectiveness of structured, goal-oriented strategies. Surprisingly, Laissez-faire leadership explained the highest variance among positive styles (33.9%, $R^2 = 0.339$), with a one-unit increase linked to a 58.8% rise in performance ($\beta = 0.588$, $p < 0.001$). This suggests that autonomy can be highly effective in suitable work environments. In contrast, autocratic leadership had the strongest negative effect, explaining 53.9% of variance ($R^2 = 0.539$). A one-unit rise led to a 73.7% decline in performance ($\beta = -0.737$, $p < 0.001$), reflecting the damage caused by rigid, top-down control. Overall, transactional and laissez-faire styles proved most effective. Autocratic leadership, though statistically strong, proved counterproductive.

Hypotheses testing

In table 9, we presented model summary of four hypotheses, showing direct impact of four explanatory variables on dependent variable. We noted that three hypotheses relating to transformational, transactional and Laissez-Fair styles were accepted while hypothesis relating to autocratic leadership style was rejected. In table 9, we present the results of all hypothesis (having direct and indirect impact on dependent variable) testing. This would provide overall picture of statistical relationships of independent and mediating variables with dependent variable.

Table 9: Hypothesis Testing Summary

Hypothesis	Relationship Tested	Result	Supporting Literature
H1	Transformational $\rightarrow$ Performance	Accepted	Mester et al. (2003)
H2	Transactional $\rightarrow$ Performance	Accepted	Mester et al. (2003)
H3	Laissez-Faire $\rightarrow$ Performance	Accepted	Sougui et al. (2016)
H4	Autocratic $\rightarrow$ Performance	Rejected	Jayasingam & Cheng (2009)
H5–H7	Job Satisfaction as mediator (for H1–H3)	Accepted	Awanleh & Al-Dmour (2004)
H8	Job Satisfaction as mediator (for H4)	Rejected	Ajibade (1990)

Source: The Author

Hypotheses H1–H3 were supported, confirming the positive effects of transformational, transactional, and laissez-faire leadership on employees' performance. H4 was rejected, as autocratic leadership harmed performance, contradicting some prior studies. Job satisfaction partially mediated the positive effects of transformational, transactional, and laissez-faire styles (H5–H7) but did not explain autocratic leadership's impact (H8).

Comparison of Leadership Behaviors in Public and Private Universities

We used independent sample test for comparing public and private universities. Table 10 shows the results of test.

Table 10: Comparative analysis of public and private universities

Leadership Style	Public (M±SD)	Private (M±SD)	Mean Difference	t-test (*p*)	Interpretation
Transformational	3.62 ± 0.78	3.73 ± 0.70	-0.11	0.261	No significant difference.
Transactional	3.69 ± 0.75	3.94 ± 0.59	-0.25	0.006	Private > Public.
Laissez-Faire	3.38 ± 0.97	3.60 ± 0.87	-0.22	0.071	Marginal difference.
Autocratic	2.48 ± 1.04	2.30 ± 0.90	0.18	0.152	No significant difference.

Source: The Author

The findings in Table 11 highlight that private universities exhibited significantly stronger transactional leadership (3.94 vs. 3.69; $*p* = 0.006$), aligning with their performance-driven by cultures. Laissez-faire leadership showed a marginal difference (3.60 vs. 3.38; $*p* = 0.071$), suggesting slightly greater autonomy in private institutions. No notable differences were found for transformational or autocratic styles between public and private universities.

Discussion

The study yielded key findings from demographic, reliability, descriptive, correlational, and regression analyses. Demographic results showed a gender imbalance, with 68% male and 32% female participants, reflecting disparities in university staffing. Cronbach's Alpha values exceeded 0.80 for all constructs, confirming high internal consistency. Missing value analysis indicated 300 complete responses, with mean scores close to 4 on the 5-point Likert scale, suggesting general agreement. Factor analysis verified construct validity; KMO values exceeded 0.5, and Bartlett's test was significant ($p < 0.001$), validating the dataset for multivariate analysis.

Descriptive results showed positive perceptions of transformational, transactional, and laissez-faire leadership (means: 3.47–3.81), while autocratic leadership received the lowest mean score (2.37). Correlation analysis revealed strong positive relationships between job satisfaction and transformation ($r = 0.746$), transactional ($r = 0.549$), and laissez-faire leadership ($r = 0.509$). Autocratic leadership correlated negatively ($r = -0.511$). Similarly, employee performance was positively associated with transformational ($r = 0.453$), transactional ($r = 0.495$), and laissez-faire ($r = 0.582$), but negatively with autocratic leadership ($r = -0.734$).

Regression and ANOVA further confirmed that transactional leadership was the strongest predictor of employee performance ($\beta = 0.679$, $R^2 = 24.5\%$), followed by transformational ($\beta = 0.585$, $R^2 = 20.6\%$) and laissez-faire ($\beta = 0.588$, $R^2 = 33.9\%$). Autocratic leadership had a

significant negative effect ($\beta = -0.737$, $R^2 = 53.9\%$), underscoring its harmful impact in Pakistan's higher education.

Thus, empirical findings provide valuable insights about leadership style and confirm that autocratic style is harmful in universities, and it exerts a strong negative impact on employees' performance and job satisfaction. Therefore, this style must be abandoned, and university leadership should improve employee performance through motivation and close interaction. For this purpose, transformational, transactional, and laissez-faire leadership styles can be used. These findings also support prior studies such as Adebakin and Gbademosi (1996); Dario (2014); Awan & Asghar (2014); and Michael (2010), which found that the autocratic leadership style suppresses employee innovation, lowers job satisfaction, and increases the likelihood of job turnover.

Conclusion

Thus, we can conclude that employee performance and satisfaction can be enhanced through various leadership styles, such as transformational, transactional, and laissez-faire, in Pakistani universities. However, the empirical analysis of the current study confirms that the autocratic leadership style, widely practiced in Pakistan, negatively affects employees' performance, a factor contributing to high turnover and low employee retention. The autocratic style is not suitable for university employees, who are knowledge workers, because their performance can be enhanced through motivation rather than through coercive measures used in industries where workers are mostly labor. Coercive measures and harsh policies not only suppress innovation among knowledge workers but also reduce their level of job satisfaction, leading to high job turnover.

Practical Implications

The findings of this study carry significant managerial and practical implications for academic institutions, particularly universities operating in both public and private sectors. Leadership styles have a measurable impact on employee job satisfaction and performance, underscoring the need for managerial strategies aligned with leadership behaviors that foster motivation, engagement, and productivity. The strong positive relationship between transformational and transactional leadership with both job satisfaction and performance suggests that university administrators should adopt leadership approaches that emphasize inspiration, recognition, delegation, and goal orientation. These styles encourage academic and administrative staff to take initiative and perform beyond expectations. Conversely, the negative impact of autocratic leadership on performance and satisfaction indicates that rigid, top-down management styles are counterproductive and should be avoided in knowledge-intensive environments like universities. Training and development programs should, therefore, focus on cultivating leadership competencies that support democratic, participative, and motivational leadership behaviors.

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